



Meeting Summary
August 23, 2002

Members present: Franklin Wong, M.D, Tamara Arthur, D.O., Joseph Eusterman, M.D., Teri Jackson, Walter LaChappelle, Timothy Keenen, M.D.

WCD staff present: Nancy Bieber and Debra Buchanan

Others present: Mike Clampitt, Judy Wells and Gayle Parrish, WCD presenters

Absent: T. Williams, F. Prideaux, M. Sorum

1. **HIPAA/EDI Presentation.** Gayle Parrish and Judy Wells of WCD presented updates on the Health Insurance Portability and Accountability Act. While workers' compensation insurance is specifically exempt from the requirements of this bill, WCD has found it may become difficult for practitioners, as a practical matter, to separate workers compensation activities from the rest of their practice. For example, some privacy rules do not apply to workers' compensation claims, but does that include denied claims? Also, the new rules require the exclusive use of nationally accepted codes for electronic billings. This requirement applies to workers' compensation claims as well as others. Currently in Oregon there is no electronic billing for workers' compensation, but the state is moving in that direction. It may require a review of the Oregon specific codes currently used in Workers' Compensation.

A copy of the handouts is attached for those members who were not present at the meeting. In addition, a copy of the Privacy and Security Awareness checklist is attached for all members' use.

2. **WCD Update:** WCD staff provided members with a report on a recent WCRI (Workers' Compensation Research Institute) study comparing Oregon to other states in permanent disability awards. As noted in July, MLAC is considering some significant changes to the way permanent disability is awarded in Oregon. Among other proposals, they are considering eliminating the distinction between scheduled and unscheduled awards, and

basing part or all of the award on wages lost rather than paying a set amount per degree of impairment. The WCRI study shows that generally Oregon falls behind most states for most awards, but because of the Oregon method, lower wage earners generally receive higher awards in Oregon than in other states.

WCD also provided members with a copy of a letter from Southwood Pharmaceutical to an Oregon physician. The letter claimed that physicians could obtain low cost generic drugs from Southwood, dispense them to injured workers, and bill insurers at 95% of the AWP plus a dispensing fee at an enormous profit. Nancy Bieber discussed that the pharmacy fee schedule will not be modified for 2003 because of the emphasis on the physicians' portion of the Medical Fee Schedule. However, it will be taken up early in 2003 to consider for the 2004 rule changes. WCD will seek the advice and input of the MAC members in this process.

3. **PPD Update:** Debbie Buchanan and Mike Clampitt provided members updates on decisions made regarding findings of impairment, including the input from the experts MAC had earlier suggested they contact for specific advice.
4. **Election of Officers:** The committee unanimously elected Tamara Arthur, D.O. as chair, and Marsha Sorum as vice-chair.